[Los Angeles County]

REPORT ON THE EXECUTIVE STRUCTURE OF LOS ANGELES COUNTY GOVERNMENT

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CITIZENS' ECONOMY AND EFFICIENCY
COMMISSION

JULY, 1990

EXECUTIVE STRUCTURE TASK FORCE

BACKGROUND:

THE ECONOMY AND EFFICIENCY COMMISSION UNDERTOOK THIS EXAMINATION OF THE EXECUTIVE STRUCTURE OF THE COUNTY OF LOS ANGELES FOR THREE MAJOR REASONS:

1. IN MAY 1988, THE BOARD ORDERED THE COMMISSION TO STUDY ITS 1983 RECOMMENDATIONS ON COUNTY DECISION MAKING AND ORGANIZATION AND TO REPORT BACK ON PROGRESS AND SUGGESTED NEXT STEPS.

2. A RECURRING CONCLUSION IN THE COMMISSION'S OTHER PROJECTS IS THAT THE COUNTY'S ABILITY TO ADAPT IS SERIOUSLY COMPROMISED BY ITS CURRENT ORGANIZATIONAL STRUCTURES.

3. AWARENESS THAT OTHER GROUPS WERE STUDYING THE ISSUES (E.G. THE LOS ANGELES BAR ASSOCIATION) AND THAT AN E & E REVIEW WOULD BE TIMELY.

APPROACH:

THE COMMISSION FOLLOWED A SEVEN STEP APPROACH TO THIS PROJECT:

1. APPOINTING A TASK FORCE.

2. REVIEWING RELEVANT LITERATURE.

3. INTERVIEWING OUTSIDE EXPERTS FAMILIAR WITH L.A. COUNTY ORGANIZATION ISSUES.

4. DEVELOPING A CONCEPTUAL MODEL FOR ANALYZING ORGANIZATIONAL ALTERNATIVES.

5. REVIEWING OUR APPROACH WITH EACH SUPERVISOR AND/OR DEPUTY.

6. INTERVIEWING HEADS OF MAJOR DEPARTMENTS AND THE CAO.

7. COMPLETING ANALYSIS AND DOCUMENTING RECOMMENDATIONS FOR BOARD ACTION.

APPROACH: (CONTINUED)

TASK FORCE

THE TASK FORCE CONSISTS OF FOUR COMMISSIONERS AND TWO MEMBERS OF THE ECONOMY AND EFFICIENCY STAFF:

COMMISSIONERS	STAFF
EFREM ZIMBALIST III, CHAIR	JOHN CAMPBELL
ROBERT D. LELAND	CHARLES KAUFMANN
ARTHUR J. PEEVER	
BETTY TROTTER	

RELEVANT LITERATURE

AS A FIRST STEP, SEVERAL TYPES OF DOCUMENTS WERE REVIEWED.

* CURRENT TRENDS, LOS ANGELES COUNTY ORGANIZATION, BUDGETS, AND DEPARTMENTAL PLANS

* STRUCTURE AND ORGANIZATION, OTHER URBAN COUNTIES

* PRIOR BALLOT MEASURES AND ASSOCIATED DOCUMENTS

* PROFESSIONAL JOURNALS AND ASSOCIATED PUBLICATIONS

* PRIOR STUDIES IN LOS ANGELES AND ELSEWHERE

* THEORIES OF PUBLIC ADMINISTRATION STRUCTURE

APPROACH: (CONTINUED)

OUTSIDE EXPERTS

OUTSIDE EXPERTS WITH A RANGE OF PERSPECTIVES WERE INTERVIEWED.

* FORMER L.A. COUNTY OFFICIALS
* PUBLIC COMMISSION ON COUNTY GOVERNMENT (1976)
* L.A. COUNTY CHAMBER OF COMMERCE
* USC SCHOOL OF PUBLIC ADMINISTRATION
* OTHERS (E.G. ATTENDANCE AT LEAGUE OF WOMEN VOTERS MEETINGS)

DEVELOPING A MODEL

IN REVIEWING L.A. COUNTY'S EXECUTIVE STRUCTURE, WE USED A CONCEPTUAL MODEL THAT

1. FOCUSED ON IDENTIFYING THE MOST SERIOUS CHALLENGES FACING L.A. COUNTY OVER THE NEXT 5-10 YEARS.

2. ANALYZED HOW THREE DIFFERENT ORGANIZATIONAL STRUCTURES MIGHT IMPACT THE COUNTY'S ABILITY TO MEET THESE CHALLENGES.

3. IDENTIFIED THE EXECUTIVE STRUCTURE THAT ON BALANCE GIVES THE COUNTY THE BEST CHANCE OF SUCCESS.

APPROACH: (CONTINUED)

DEPARTMENT HEADS

AFTER REVIEWING OUR APPROACH WITH EACH SUPERVISOR AND/OR THEIR DEPUTY, WE INTERVIEWED TEN DEPARTMENT HEADS:

RICHARD DIXON
CHIEF ADMINISTRATIVE OFFICER

DE WITT CLINTON
COUNTY COUNSEL

RODNEY COOPER
PARKS & RECREATION

ROBERT C. GATES
HEALTH SERVICES

JAMES HARTL
REGIONAL PLANNING

SANDRA F. REUBEN
PUBLIC LIBRARY

WILLIAM F. STEWART
INTERNAL SERVICES

EDDY TANAKA
PUBLIC SOCIAL SERVICES

THOMAS A. TIDEMANSON
PUBLIC WORKS

FRANK S. ZOLIN
SUPERIOR COURT

DEPARTMENT HEADS (CONTINUED)

EXAMPLES OF KEY QUESTIONS DISCUSSED WITH EACH INCLUDED:

1. WHAT DO YOU SEE AS THE MAJOR CHALLENGES FACING L.A. COUNTY OVER THE NEXT 5-10 YEARS? HOW WILL THEY BE FACED?

2. WHO IS YOUR BOSS? HOW OFTEN DO YOU MEET WITH HIM/HER? WHAT IS DISCUSSED? DO YOU INITIATE THE MEETING OR DO THEY? IS THERE REGULAR FOLLOW-UP? WHAT DO YOU DO IF YOU DISAGREE WITH YOUR BOSS?

3. DO YOU DO LONG-RANGE PLANNING? DOES THE COUNTY AS A WHOLE DO LONG-RANGE STRATEGIC PLANNING? WHAT IS THE STRATEGY OF THE COUNTY? WHAT IS YOUR DEPARTMENT'S PART IN THE OVERALL STRATEGY?

4. WOULD AN A.) ELECTED OR B.) APPOINTED COUNTY MANAGER BE AN IMPROVEMENT OR HINDERANCE? WHY?

5. WOULD IT BE BENEFICIAL OR NOT FOR YOUR DIVISION HEADS TO SERVE "AT WILL" VERSUS CIVIL SERVICE?

APPROACH: (CONTINUED)

DEPARTMENT HEADS (CONTINUED)

UPON COMPLETION OF THESE INTERVIEWS, THE TASK FORCE HELD SEVERAL WORKING SESSIONS TO ANALYZE ADDITIONAL DATA DEVELOPED BY STAFF, AND TO FORMULATE OUR CONCLUSIONS AND RECOMMENDATIONS WHICH ARE SUMMARIZED NEXT.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

A. THE SUCCESS OF L.A. COUNTY IN SHAPING ITS DESTINY AND SERVING ITS CITIZENS IN THE NEXT 10 YEARS DEPENDS ON ITS ABILITY TO PERFORM FOUR CRITICAL TASKS.

1. TO DELIVER WITH MAXIMUM EFFICIENCY GOODS AND SERVICES WHICH ARE MANDATED AND FUNDED BY THE STATE AND FEDERAL GOVERNMENT.

2. TO ENSURE THAT THE NEEDS AND DESIRES OF L.A. COUNTY ARE FULLY REFLECTED IN HOW THESE OUTSIDE FUNDS ARE ALLOCATED AND EARMARKED.

3. TO INCREASE COUNTY CONTROLLED SOURCES OF REVENUE TO REDUCE OUR VULNERABILITY TO ECONOMIC DOWNTURNS AND CHANGES IN OUTSIDE ALLOCATIONS, AND TO HELP ASSURE THAT LOCAL PROGRAMS CAN BE MORE FULLY FUNDED.

4. AS THE DOMINANT COUNTY IN THE DOMINANT STATE, TO TAKE THE LEAD IN DEVELOPING A LONG-RANGE STRATEGIC PLAN FOR OUR REGION AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

(CONTINUED)

B. ON BALANCE, WE BELIEVE A STRONG APPOINTED COUNTY MANAGER WOULD BE MOST ABLE TO ACCOMPLISH THESE CRITICAL TASKS.

1. LEADERSHIP AND MANAGERIAL SKILLS ARE THE MOST IMPORTANT QUALITIES THAT ARE REQUIRED, AND THE SUPERVISORS COULD INSURE THAT AN APPOINTED EXECUTIVE PROSSESSED THEM.

2. AN ELECTED EXECUTIVE WOULD UNDOUBTEDLY REQUIRE AN APPOINTED MANAGER TO LOOK AFTER DAY-TO-DAY OPERATIONS. THEREFORE, WE BELIEVE THE APPOINTED MANAGER SHOULD BE INSTITUTED FIRST AND GIVEN A CHANCE TO PERFORM FOR AT LEAST TWO YEARS. THEN THE NEED FOR AN ELECTED OFFICIAL BE BETTER EVALUATED.

RECOMMENDATIONS

RECOMMENDATION #1

THE TASK FORCE RECOMMENDS THAT THE BOARD OF SUPERVISORS SUBMIT AN AMENDMENT TO THE CHARTER TO THE VOTERS OF LOS ANGELES COUNTY AT THE GENERAL ELECTION TO BE HELD ON NOVEMBER 6, 1990, CREATING THE POSITION OF COUNTY MANAGER AND RESTRUCTURING THE DUTIES OF COUNTY OFFICIALS AS FOLLOWS:

A. THE DUTIES OF THE BOARD OF SUPERVISORS WOULD INCLUDE THE FOLLOWING:

   1. TO APPOINT OR DISMISS THE COUNTY MANAGER AND THE COUNTY AUDITOR (ARTICLE III, SECTION 11(1)).

   2. TO FIRST CONSIDER THE RECOMMENDATIONS OF THE COUNTY MANAGER WHEN EXERCISING ITS POWERS TO PROVIDE FOR COUNTY OFFICES, ORGANIZATIONS, EMPLOYMENT, AND COMPENSATION (ARTICLE III, SECTION 11 (3)-(6)).

B. THE DUTIES OF THE COUNTY MANAGER WOULD INCLUDE THE FOLLOWING

1. TO PLAN, COORDINATE, DIRECT, ORGANIZE, EVALUATE AND EXERCISE OVERALL RESPONSIBILITY FOR THE OPERATION AND MANAGEMENT OF ALL COUNTY ORGANIZATIONAL UNITS WITHIN THE CHARGE OF THE BOARD OF SUPERVISORS

2. TO ADVISE THE BOARD OF SUPERVISORS ON THE ORGANIZATION, PLANNING, DIRECTION AND CONTROL OF OPERATIONS HEADED BY ELECTED OFFICIALS AND THE COUNTY AUDITOR

3. TO APPOINT OR DISMISS ALL COUNTY DEPARTMENT, AGENCY, AND INSTITUTION DIRECTORS SUBJECT TO THE SAME DUE PROCESS OR CONTRACT PROVISIONS THAT NOW APPLY FOR COUNTY DEPARTMENT HEADS

4. TO PREPARE ANNUALLY AND SUBMIT TO THE BOARD OF SUPERVISORS A STRATEGIC PLAN AND BUDGET FOR THE FISCAL YEAR, FOR THREE YEARS, AND FOR TEN YEARS, AND, UPON APPROVAL, TO IMPLEMENT AND ADMINISTER THE PLANS AND BUDGETS

C. THE REMAINING PROVISIONS OF THE CHARTER WOULD BE CHANGED TO REFLECT THE APPOINTMENT OF COUNTY OFFICIALS BY THE COUNTY MANAGER AND THE COUNTY MANAGER'S RESPONSIBILITY TO DIRECT THEM IN THE PERFORMANCE OF THEIR FUNCTIONS.

RECOMMENDATION 2

THE TASK FORCE FURTHER RECOMMENDS THAT THE BOARD OF SUPERVISORS PLACE A CHARTER AMENDMENT BEFORE THE VOTERS AT THE NOVEMBER 6, 1990 ELECTION TO PROVIDE FOR THE EMPLOYMENT AND COMPENSATION OF THE COUNTY MANAGER AND DEPARTMENT MANAGERS (EXCEPT IN DEPARTMENTS HEADED BY ELECTED OFFICIALS) AS EMPLOYEES IN THE UNCLASSIFIED SERVICE, AS FOLLOWS:

A. THE COUNTY MANAGER SHALL BE EMPLOYED BY CONTRACT WITH THE COUNTY, FOR A TERM OF NOT LESS THAN FIVE YEARS AND NOT MORE THAN EIGHT YEARS. THE COUNTY MANAGER SHALL SERVE AT THE PLEASURE OF THE BOARD OF SUPERVISORS FOR THE TERM OF THE CONTRACT.

   1. EMPLOYMENT OF THE COUNTY MANAGER SHALL REQUIRE APPROVAL OF A MAJORITY OF THE SUPERVISORS;

   2. THE COMPENSATION OF THE COUNTY MANAGER SHALL BE ESTABLISHED NOT LESS THAN YEARLY BY A MAJORITY OF THE BOARD OF SUPERVISORS;

3. TERMS AND CONDITIONS FOR DISMISSAL OF THE COUNTY MANAGER SHALL BE PROVIDED FOR IN THE CONTRACT OF EMPLOYMENT, BUT IN NO CASE SHALL OCCUR WITHOUT THE CONCURRENCE OF A TWO-THIRDS VOTE (4/5, 5/7, 6/9 ETC.) OF THE BOARD.

B. THE COUNTY MANAGER SHALL APPOINT EACH COUNTY DEPARTMENT DIRECTOR AND SHALL RECOMMEND A CONTRACT OF EMPLOYMENT WITH TERMS THAT ARE NO LESS FAVORABLE THAN THOSE OF THE MANAGER.

C. DEPARTMENT, AGENCY AND INSTITUTION HEADS SHALL APPOINT OR DISMISS ALL EMPLOYEES UNDER THEIR CHARGE; UPON RECOMMENDATION OF THE COUNTY MANAGER, THE BOARD OF SUPERVISORS MAY, BY ORDINANCE, DESIGNATE EMPLOYEES OF EACH DEPARTMENT TO THE LEVEL OF THE DIVISION CHIEF AS EMPLOYEES IN THE UNCLASSIFIED SERVICE.

THE FOLLOWING SECTIONS DESCRIBE HOW WE REACHED THESE CONCLUSIONS AND RECOMMENDATIONS.

1. TO DELIVER WITH MAXIMUM EFFICIENCY GOODS AND SERVICES WHICH ARE MANDATED AND FUNDED BY THE STATE AND FEDERAL GOVERNMENTS.

LOS ANGELES COUNTY MUST BECOME MORE EFFICIENT IN ALLOCATING FUNDS AND DELIVERING GOODS AND SERVICES MANDATED BY AND FUNDED BY THE STATE AND FEDERAL GOVERNMENTS

1. WITHOUT EXCEPTION, THE DEPARTMENT HEADS WE INTERVIEWED CITED THE INADEQUACY OF FUNDING SINCE PROPOSITION 13 WAS PASSED AS THE SINGLE MOST IMPORTANT CRISIS FACING THE COUNTY.

2. YET OUR ANALYSIS SHOWS THAT THE COUNTY REVENUES HAVE GROWN RAPIDLY SINCE PROPOSITION 13 - EVEN MORE RAPIDLY THAN THE ECONOMY AS A WHOLE (EXHIBITS 1 AND 2)

3. FURTHER, ALTHOUGH THE COUNTY IS DEPENDENT ON OUTSIDE SOURCES FOR MORE THAN HALF OF ITS REVENUE, THIS HAS BEEN TRUE FOR THE LAST 20 YEARS, AND ITS DEPENDENCE HAS DECLINED TO PRE-PROPOSITION 13 LEVELS (EXHIBITS 3 AND 4)

4. AND WE FOUND NO COMPELLING EVIDENCE THAT DEMAND FOR COUNTY SERVICES IS FAR OUTSTRIPPING GROWTH IN COUNTY REVENUE.

- THE DEMAND FOR THE MOST COSTLY COUNTY SERVICES IS FLAT OR DECLINING ACCORDING TO MANY INDICATORS OF DEPARTMENTAL WORKLOAD INCLUDING HOSPITAL INPATIENT POPULATION AND WELFARE CASELOADS (EXHIBIT 5)

- THE DEMAND FOR COUNTY MUNICIPAL SERVICES IS INCREASING IN UNINCORPORATED AREAS AS POPULATION INCREASES

- THE MOST RAPIDLY INCREASING SOURCES OF DEMAND AND COST APPEAR TO REFLECT THE COUNTY'S RESPONSE TO PUBLIC PRIORITIES ESPECIALLY REGARDING POLICING AND JUSTICE FUNCTIONS

WE RECOGNIZE, HOWEVER, THAT THESE MEASURES MAY CONCEAL MAJOR THREATS. FOR EXAMPLE, THE DEMAND FOR COUNTY SERVICES:

- IS COUNTERCYCLICAL. THE DEMAND INCREASES DURING PERIODS OF ECONOMIC DOWNTURN

- IT DOES NOT RESPOND AS A MARKET. THOSE CONSUMING MOST OF THE SERVICES DO NOT PAY FOR THE SERVICES PROVIDED

- THE REQUIRED LEVEL OF COUNTY SERVICES DEPENDS MORE ON POPULATION MAKEUP - POVERTY, IMMIGRATION, MIGRATION, EMPLOYMENT - THAN ON POPULATION LEVEL

THE NATURE OF THE COUNTY'S WORK IS CHANGING ALONG WITH CHANGES IN THE STRUCTURE OF THE POPULATION:

- FEWER PATIENTS, BUT OLDER AND SICKER
- FEWER ABLE TO PAY, BECAUSE MOST NEW JOBS ARE LOW PAY SERVICE JOBS WITHOUT INSURANCE
- THE STRUCTURE OF THE FAMILY HAS CHANGED, LEADING TO INCREASED LATENT DEMAND FOR COUNTY SERVICES
- DECLINES IN STRUCTURED RECREATION AND OTHER YOUTH DIRECTED INFRASTRUCTURE INCREASED GANG ACTIVITY

THE PRIMARY CHALLENGE FACING THE COUNTY IN ITS ROLE OF EFFICIENTLY DELIVERING GOODS AND SERVICES IS NOT ONE OF INADEQUATE FUNDS, BUT MORE ONE OF USING EXISTING FUNDS MORE EFFECTIVELY. THIS REQUIRES A STRONG CENTRAL LEADER WHO CAN:

- LEAD THE BUDGETING PROCESS BY SYNTHESIZING TRADE-OFFS AMONG DEPARTMENT OPERATIONS, REDUCING OR ELIMINATING COSTS WHERE DEMAND IS DECLINING, REALLOCATING RESOURCES TO AREAS WHERE THE BOARD ESTABLISHES A PRIORITY

- RECOMMEND AND (UPON BOARD APPROVAL) IMPLEMENT A CONSOLIDATED ORGANIZATIONAL STRUCTURE WHICH PERMITS REGULAR (E.G. WEEKLY) SUPERVISION OF DEPARTMENT HEADS AND REDUCTION OF DUPLICATIVE COSTS.

- IT IS IMPOSSIBLE FOR ONE OR FIVE INDIVIDUALS TO SUPERVISE THE 30+ DEPARTMENT HEADS NOW REPORTING TO THE BOARD (EXHIBIT 6). AS A RESULT, DEPARTMENTS ARE NOW LARGELY UNSUPERVISED EXCEPT FOR BUDGETARY REVIEWS OR AREAS OF CONCERN TO A PARTICULAR SUPERVISOR.

- REQUIRED FURTHER ORGANIZATIONAL CONSOLIDATION (E.G. TO 15-20 DEPARTMENTS) IS HIGHLY UNLIKELY IN THE ABSENCE OF A COMMITTED LEADER TO CHAMPION THE CAUSE WITHIN THE ORGANIZATION AND TO ITS CONSTITUENCIES.

- DIRECT THE IMPLEMENTATION OF A SIMPLE, COUNTY-WIDE MANAGEMENT INFORMATION SYSTEM WHICH PROVIDES REGULAR (E.G. MONTHLY) REPORTS TO THE SUPERVISORS AND TO THE COUNTY MANAGER ON HOW EACH DEPARTMENT IS DOING ON A PROGRAM BUDGETING BASIS.

    - DEVELOP MEASURES OF PERFORMANCE FOR EACH DEPARTMENT (E.G. COST FOR SERVICES RENDERED)

    - SET TARGETS

    - TRACK PERFORMANCE VERSUS PRIOR YEAR, BUDGET AND OTHER COUNTIES.

- SET AND ENFORCE COUNTY-WIDE STANDARDS TO ENSURE THAT THE EFFECTIVENESS OF THE COUNTY'S DECENTRALIZATION PROGRAM IS NOT UNDERMINED BY

    - INABILITY OF DATA PROCESSING SYSTEMS TO COMMUNICATE WITH EACH OTHER

    - LACK OF ADEQUATE SECURITY AND/OR SAFETY AS A RESULT OF BUDGET PRESSURES

    - PROLIFERATION OF MULTIPLE PERSONNEL MANAGEMENT, AND PAYROLL SYSTEMS

    - SUBOPTIMAL USE OF ASSETS

- AVOID BECOMING IMMERSED IN REVIEWING AND DECIDING RELATIVELY MINOR ADMINISTRATIVE MATTERS WHICH CAN BE MORE EFFICIENTLY DELEGATED TO DEPARTMENT MANAGEMENT. CURRENT PRACTICE SHOWS MANY AGENDA ITEMS REQUIRING BOARD APPROVAL ARE RELATIVELY MINOR. (EXHIBITS 7 AND 8)

IN SHORT, TO REACH THE NEXT LEVEL OF OPERATIVE EFFICENCY, THE COUNTY NEEDS A SINGLE LEADER WITH THE AUTHORITY AND RESPONSIBILITY TO OVERCOME THE CRUSHING INERTIA OF THE STATUS QUO.

2. TO ENSURE THAT THE NEEDS AND DESIRES OF LOS ANGELES COUNTY ARE FULLY REFLECTED IN HOW THE OUTSIDE FUNDS ARE ALLOCATED AND EARMARKED.

INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED

A SECOND CRITICAL TASK FACING LOS ANGELES COUNTY IS TO EXERT GREATER INFLUENCE IN SACRAMENTO AND WASHINGTON D.C. OVER HOW OUTSIDE FUNDS ARE ALLOCATED.

1. THE COUNTY DEPENDS ON OUTSIDE SOURCES FOR OVER HALF OF ITS FUNDING.

2. AS THE LARGEST COUNTY IN CALIFORNIA AND IN THE U.S., ONE WOULD EXPECT IT TO PLAY A LARGE ROLE IN SHAPING FEDERAL AND STATE SPENDING PRIORITIES.

3. OUR INTERVIEWS, HOWEVER, SUGGESTED THAT THIS IS NOT NORMALLY THE CASE.

   - THERE IS NO EVIDENCE OF A STRONG L.A. COUNTY CAUCUS OF STATE AND FEDERAL LEGISLATORS.

* WE RECOGNIZE THAT SUCH A TASK IS DIFFICULT GIVEN THE MORE NATURAL JURISDICTIONAL ALLEGIANCE OF LEGISLATORS TO CITIES VERSUS THE COUNTY.

* HOWEVER OTHER COUNTIES APPARENTLY HAVE DONE A MORE EFFECTIVE JOB OF MARSHALLING THEIR POLITICAL RESOURCES.

- L.A. COUNTY IS VIEWED AS "AVERAGE OR BELOW AVERAGE" IN EFFICIENCY AND INNOVATION BY IMPORTANT STATE OFFICIALS, WHICH IS HARMFUL EVEN THOUGH IT IS PROBABLY NOT TRUE.

- L.A. COUNTY IS FURTHER VIEWED AS SOMEWHAT OF A "BULLY", ONLY COMING TO SACRAMENTO WHEN THERE IS A MAJOR PROBLEM, AND THEN THREATENING DRASTIC ACTION UNTIL ITS NEEDS ARE MET.

INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED, CONTINUED

THESE PROBLEMS, WHILE ADMITTEDLY ANECDOTAL, SUGGEST THAT THE COUNTY MAY NOT BE INFLUENCING AS MUCH AS IT COULD SPENDING PRIORITIES IN SACRAMENTO AND WASHINGTON, TO THE DETRIMENT OF ITS CITIZENS.

INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED, CONTINUED

WHILE NOT A PANACEA, WE BELIEVE A STRONG COUNTY MANAGER COULD IMPROVE OUR INFLUENCE IN WASHINGTON AND SACRAMENTO.

- WOULD HAVE MORE CLOUT WITH THE "L.A. COUNTY CAUCUS"' AND DIRECTLY WITH THE EXECUTIVE AND LEGISLATIVE BRANCHES.

- WOULD HAVE MORE AUTHORITY TO PLAN AND IMPLEMENT A COORDINATED COUNTY LOBBYING STRATEGY.

- WOULD FEEL AND BE RESPONSIBLE FOR MAINTAINING FRIENDLY LONG-TERM WORKING RELATIONSHIPS AT THE STATE AND FEDERAL LEVELS.

THE CAO HAS PERFORMED ADMIRABLY GIVEN THE CONSTRAINTS IF ITS POSITION. WE BELIEVE A MORE POWERFUL COUNTY EXECUTIVE COULD BE EVEN MORE EFFECTIVE.

3. TO INCREASE COUNTY CONTROLLED SOURCES OF REVENUE TO REDUCE VULNERABILITY TO ECONOMIC DOWNTURNS AND CHANGES IN OUTSIDE ALLOCATIONS, AND TO HELP LOCAL PROGRAMS BE MORE FULLY FUNDED.

INCREASING COUNTY CONTROLLED SOURCES OF REVENUE

TO REDUCE ITS VULNERABILITY TO ECONOMIC DOWNTURNS AND TO REDUCTIONS IN STATE AND FEDERAL ALLOCATIONS, THE COUNTY MUST INCREASE ITS REVENUE FROM ENTREPRENEURIAL SOURCES.

1. SINCE PROPOSITION 13, THE COUNTY HAS DONE A REMARKABLE JOB OF REPLACING LOST LOCAL TAX REVENUE WITH FUNDS FROM OTHER LOCAL SOURCES. (EXHIBIT 4)

   - CHARGES FOR SERVICES

   - ASSET MANAGEMENT

   - FEES

2. IN THE ABSENCE OF AN UNLIKELY CHANGE IN THE TAX CODE, THE COUNTY MUST CONTINUE AND EVEN ACCELERATE ITS ENTREPRENEURIAL ACTIVITIES SO THAT LOCALLY CONTROLLED PROGRAMS CAN BE MORE FULLY FUNDED.

INCREASING COUNTY CONTROLLED SOURCES OF REVENUE

3. INSTALLING AND MAINTAINING A SENSE OF ENTREPRENEURIAL FERVOR THROUGHOUT THE COUNTY WILL NOT BE EASY, AS THERE IS GREAT RESISTANCE IN A NUMBER OF MAJOR DEPARTMENTS.

4. THE LIMITED POWERS OF PERSUASION OF THE CAO AND INDIVIDUAL SUPERVISORS OVER RELATIVELY AUTONOMOUS DEPARTMENT HEADS WILL MAKE THIS TRANSFORMATION SLOW AND ARDUOUS AT LEAST.

5. WE BELIEVE THAT THE PRESENCE OF A STRONG COUNTY MANAGER, COMMITTED TO REDUCING COSTS AND INCREASING REVENUES THROUGH ENTREPRENEURIAL ACTIVITIES, WOULD GREATLY ENHANCE THE CHANCE OF SUCCESS OF THESE CRITICAL PROGRAMS.

INCREASING COUNTY CONTROLLED SOURCES OF REVENUE

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5. WE BELIEVE THAT THE PRESENCE OF A STRONG COUNTY MANAGER, COMMITTED TO REDUCING COSTS AND INCREASING REVENUES THROUGH ENTREPRENEURIAL ACTIVITIES, WOULD GREATLY ENHANCE THE CHANCE OF SUCCESS OF THESE CRITICAL PROGRAMS.

4. AS THE DOMINANT COUNTY IN THE DOMINANT STATE, TO TAKE THE LEAD IN DEVELOPING A LONG RANGE STRATEGIC PLAN FOR OUR REGION AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.

LONG RANGE PLAN

AS THE DOMINANT COUNTY IN THE DOMINANT STATE, WE SHOULD TAKE THE LEAD IN DEVELOPING A LONG RANGE STRATEGIC PLAN FOR OUR REGION, AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.

1. THERE IS CURRENTLY A FEELING IN L.A. COUNTY THAT WE ARE NOT IN CONTROL OF OUR OWN DESTINY.

2. A COUNTY-WIDE, COMPREHENSIVE, STRATEGIC PLAN WOULD DEFINE OUR POSITION ON REGIONAL ISSUES AND SIGNIFICANTLY INCREASE OUR INFLUENCE IN JURISDICTIONS THAT WE DON'T CONTROL.

BECAUSE OF THE AMOUNT OF SENIOR MANAGEMENT TIME REQUIRED TO DEVELOP A MEANINGFUL PLAN, A SUCCESSFUL PLANNING PROCESS REQUIRES A COMMITTED COUNTY EXECUTIVE.

LONG RANGE PLAN, (CONTINUED)

LACK OF CONTROL

SENIOR L.A. COUNTY MANAGERS BELIEVE THAT WE ARE NOT IN CONTROL OF OUR OWN DESTINY.

1. AS PREVIOUSLY DISCUSSED, MORE THAN HALF OF OUR FUNDS COME FROM FEDERAL AND STATE SOURCES, WITH STRINGS ATTACHED.

2. NEEDS OF OUR OWN FUNDING IS COMMITTED BY STATUTE OR BY ADMINISTRATIVE REQUIREMENTS.

LONG RANGE PLAN, (CONTINUED)

LACK OF CONTROL, (CONTINUED)

3. THERE ARE OVER 1,000 JURISDICTIONS IN L.A. COUNTY ALONE, AND THE NUMBER CONTINUES TO GROW.

JURISDICTION TYPE	1977	1990
COUNTIES	5	5
CITIES	147	163
SPECIAL DISTRICTS	1159	1943
REDEVELOPMENT AGENCIES	156	132
JOINT POWERS/OTHERS	137	289
TOTAL IN LOS ANGELES COUNTY	689	1034
TOTAL IN REGION	1604	2529

LONG RANGE PLAN, (CONTINUED)

LACK OF CONTROL, (CONTINUED)

4. AND THERE ARE NUMEROUS POWERFUL REGIONAL AGENCIES WHICH ARE NOT ELECTED AND WHICH PREMPT SOME SERVE GOVERNANCE FUNCTIONS.

- AIR QUALITY DISTRICTS

- COASTAL ZONE COMMISSIONS

- WATER QUALITY BOARDS

- COUNCILS OF GOVERNMENT

- TRANSIT DISTRICTS AND TRANSPORTATION COMMISSIONS

L.A. COUNTY OFTEN HAS ONLY ONE VOTE ON SOME COMMISSIONS, EVEN THOUGH IT MAY REPRESENT A MAJORITY OF THE AFFECTED CONSTITUENTS.

LONG RANGE PLAN, (CONTINUED)

STRATEGIC PLAN

WE BELIEVE A THOUGHTFUL, COMPREHENSIVE STRATEGIC PLAN COULD PROVIDE A POWERFUL SYNTHESIZING AND COORDINATING TOOL FOR THE COUNTY TO USE WITH THESE OTHER JURISDICTIONS.

1. TO ITS CREDIT, THE COUNTY IS NOW DOING SOME LONG RANGE PLANNING.

   - SOME DEPARTMENTS HAVE STRATEGIC PLANS TO ADDRESS SPECIFIC PROBLEM AREAS.

   - THE BOARD OF SUPERVISORS ADOPTS A GENERAL LAND USE PLAN FOR THE UNINCORPORATED AREAS.

LONG RANGE PLAN, (CONTINUED)

STRATEGIC PLAN, (CONTINUED)

2. THIS IS A GOOD STARTING POINT FOR A MORE COMPREHENSIVE STRATEGIC PLAN.

   A. STRATEGIC PLANNING IS A PROCESS TO

      - DEFINE FUTURE THREATS AND OPPORTUNITIES

      - EXPLORE ALTERNATIVE RESPONSES

      - SELECT OBJECTIVES

      - DEVELOP ACTION PLANS TO MEET OBJECTIVES.

LONG RANGE PLAN, (CONTINUED)

STRATEGIC PLAN, (CONTINUED)

2. B. BENEFITS TO COUNTY GOVERNMENT FROM STRATEGIC PLANNING.

- ANTICIPATE AND PREPARE FOR FUTURE CONTINGENCIES.
- CRITICALLY EXAMINE CURRENT ASSUMPTIONS AND ACTIVITIES.
- INCREASE INFLUENCE WITH FEDERAL AND STATE CONTACTS.
- FOCUS COUNTY'S POSITION ON REGIONAL ISSUES.

LONG RANGE PLAN, (CONTINUED)

STRATEGIC PLAN, (CONTINUED)

3. EFFECTIVE STRATEGIC PLANNING REQUIRES:

- A COMMITTED LEADER AT THE TOP.

- AN ON-GOING PROCESS OF UPDATING/REFINEMENT.

- ACTIVE INVOLVEMENT OF SENIOR MANAGEMENT OF ALL ORGANIZATIONAL UNITS.

WE HAVE NEVER SEEN AN EFFECTIVE PLANNING PROCESS WITHOUT A COMMITTED LEADER AT THE TOP.

AN APPOINTED OFFICIAL IS NEEDED FIRST

THE PREVIOUS SECTIONS ESTABLISHED THAT A STRONG COUNTY MANAGER IS REQUIRED FOR THE COUNTY TO PERFORM ITS CRITICAL TASKS OVER THE NEXT 5-10 YEARS.

WE ALSO RESEARCHED THE ORGANIZATION STRUCTURES OF 21 OF THE LARGEST COUNTIES IN THE U.S. OUR DATA SHOWED THAT THE LARGEST URBAN COUNTIES TENDED TO CHOOSE EITHER A WEAK APPOINTED ADMINISTRATOR OR A STRONG ELECTED EXECUTIVE. (EXHIBIT 9).

AS A TOOL FOR EVALUATING ~~WHEATEAR~~ WHETHER AN APPOINTED OR ELECTED OFFICIAL IS MOST DESIRABLE, WE WEIGHTED THE RELATIVE IMPORTANCE OF THEIR SKILLS IN ACHIEVING THOSE TASKS.

1. MANAGEMENT SKILLS - WHICH ARE MOST LIKELY TO BE FOUND IN AN APPOINTED EXECUTIVE

   - TECHNICAL SKILLS

   - LEADERSHIP ABILITY

AN APPOINTED OFFICIAL IS NEEDED FIRST, (CONTINUED)

2. CONSENSUS BUILDING - WHICH COULD BE FOUND IN BOTH APPOINTED (MOSTLY INTERNAL CONSENSUS BUILDING) AND ELECTED (MOSTLY EXTERNAL CONSENSUS BUILDING

3. ABILITY TO REPRESENT ALL OF L.A. COUNTY TO ELECTED OFFICIALS - WHICH IS MOST LIKELY TO BE FOUND IN AN ELECTED OFFICIAL.

4. AS SHOWN IN EXHIBIT 10, MANAGEMENT SKILLS ARE MOST IMPORTANT, FOLLOWED BY CONSENSUS BUILDING AND REPRESENTATION.

5. CONSEQUENTLY, WE BELIEVE THE APPROPRIATE COURSE OF ACTION IS:

   - TO APPOINT A COUNTY MANAGER TO FOCUS ON MAKING MORE EFFECTIVE THE ORGANIZATION AND MANAGEMENT SYSTEMS IN L.A. COUNTY.

   - TO REVIEW THE NEED FOR AN ELECTED OFFICIAL AFTER TWO YEARS.

NEXT STEPS

THE FOLLOWING NEXT STEPS APPEAR APPROPRIATE

1. SECURE APPROVAL OF TASK FORCE REPORT FROM FULL COMMISSION.

2. INCORPORATE INPUT FROM THE MEETING AND FORWARD REVISED REPORT TO BOARD OF SUPERVISORS.

3. HOLD PRELIMINARY MEETINGS WITH APPROPRIATE COUNTY OFFICIALS.

4. PRESENT REPORT TO BOARD BEFORE THE END OF JULY.

EXHIBIT 1
(Original on 35 mm slide)

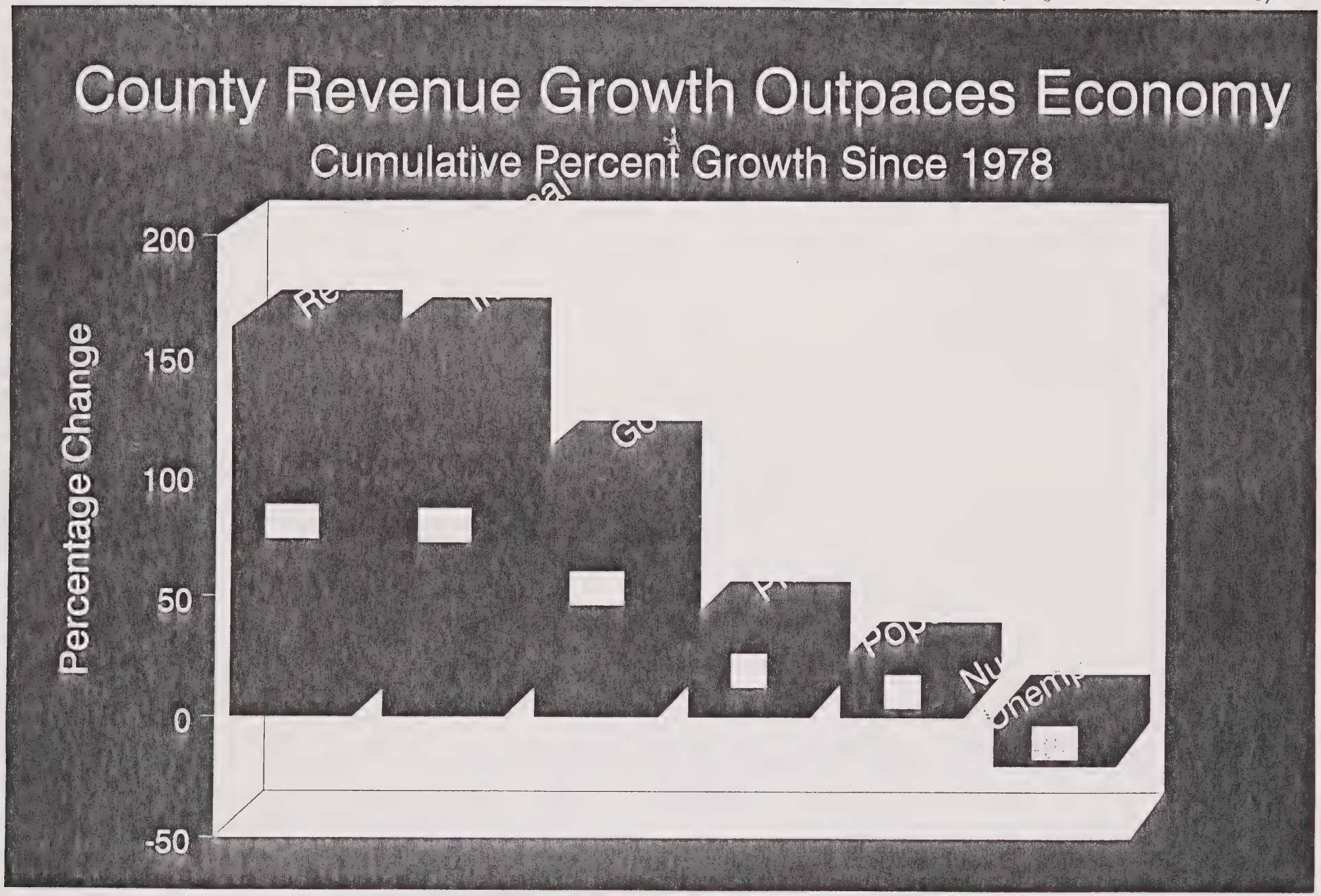
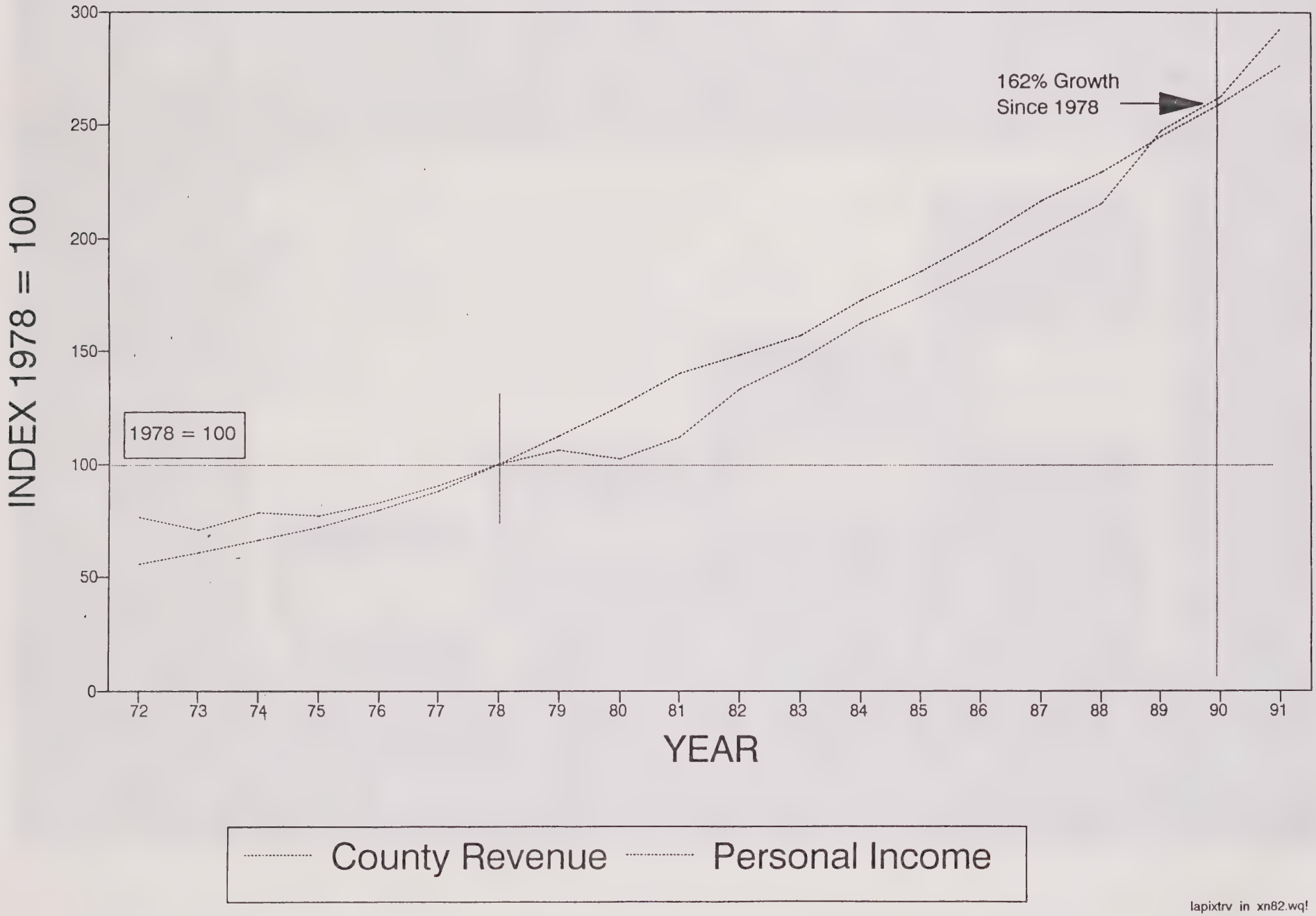


EXHIBIT 2

LOS ANGELES COUNTY GOVERNMENT

PERSONAL INCOME AND TOTAL REVENUE (NDX)



lapixtrv in xn82.wq!

EXHIBIT 3
(Original on 35mm slide)

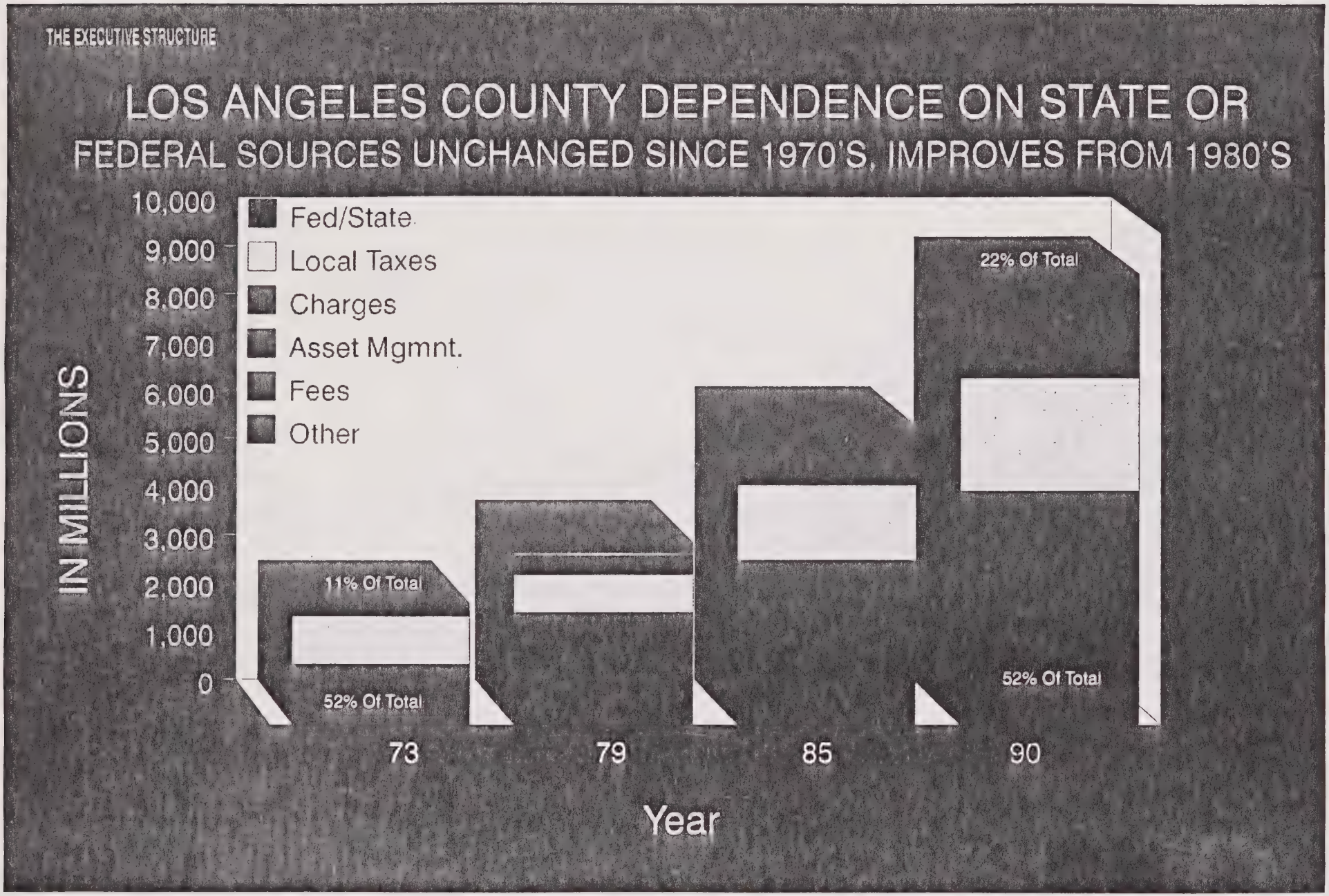


EXHIBIT 4

LOS ANGELES COUNTY REVENUE PROFILE

ALL SOURCES 1971-1990

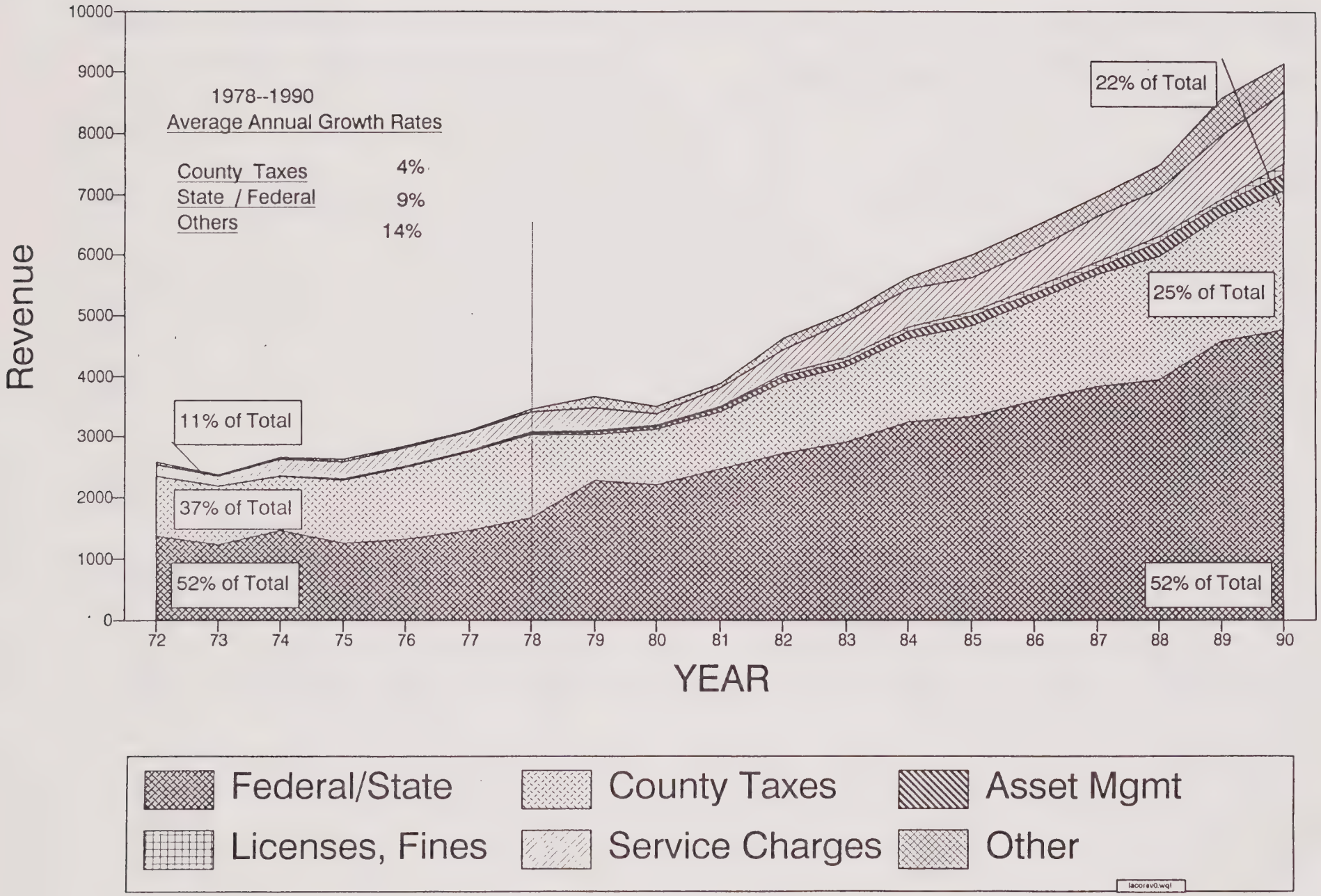
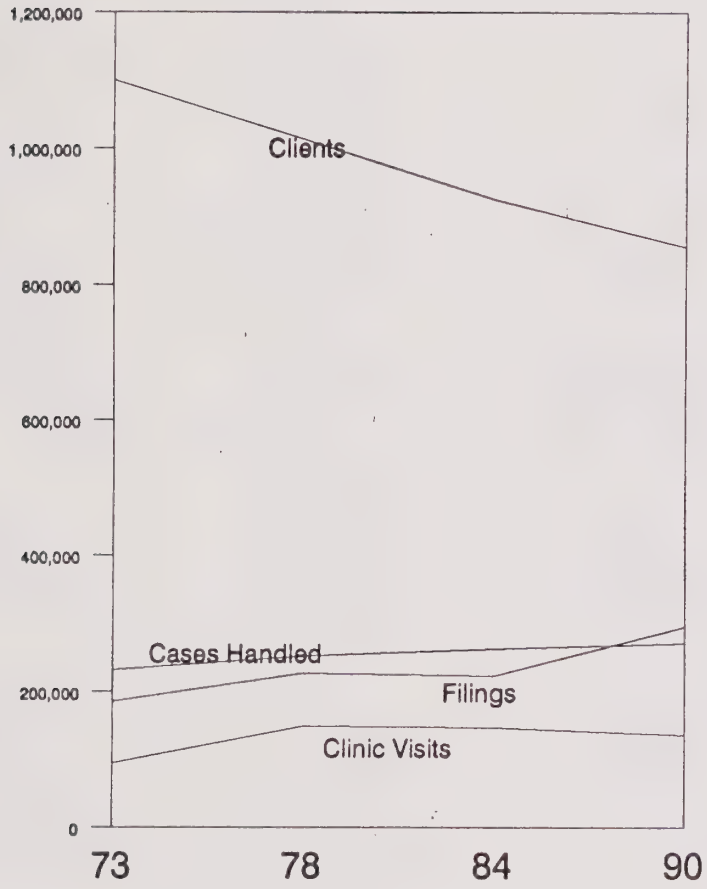


EXHIBIT 5

Welfare Client Count Down 16% But Court Filings Increase Significantly



Jail Population Up 131% But Other County Institutional Population Flat

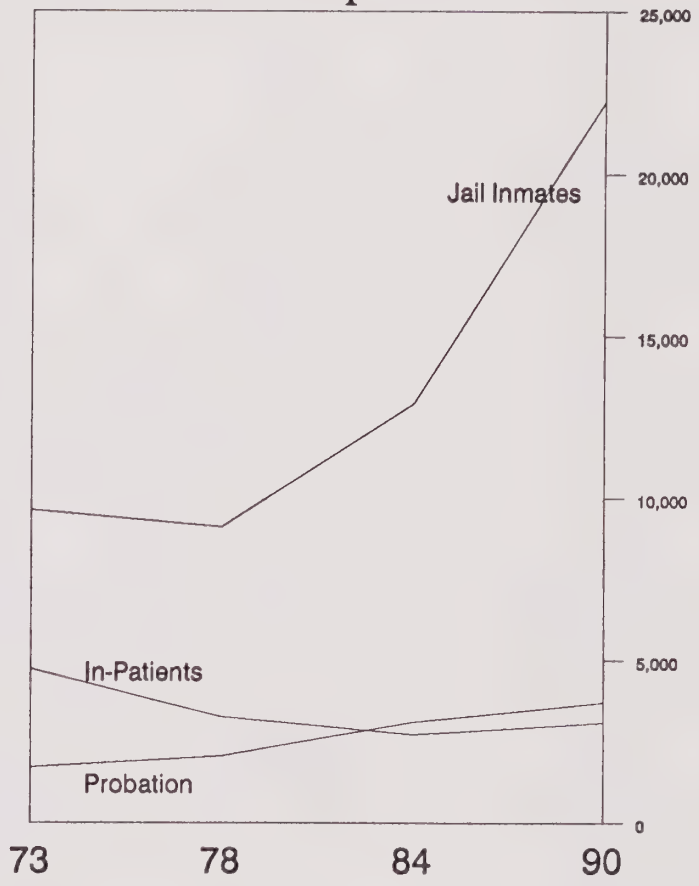


EXHIBIT 6

BOARD OF SUPERVISORS
FUNCTIONS
Fiscal Year 1989-90

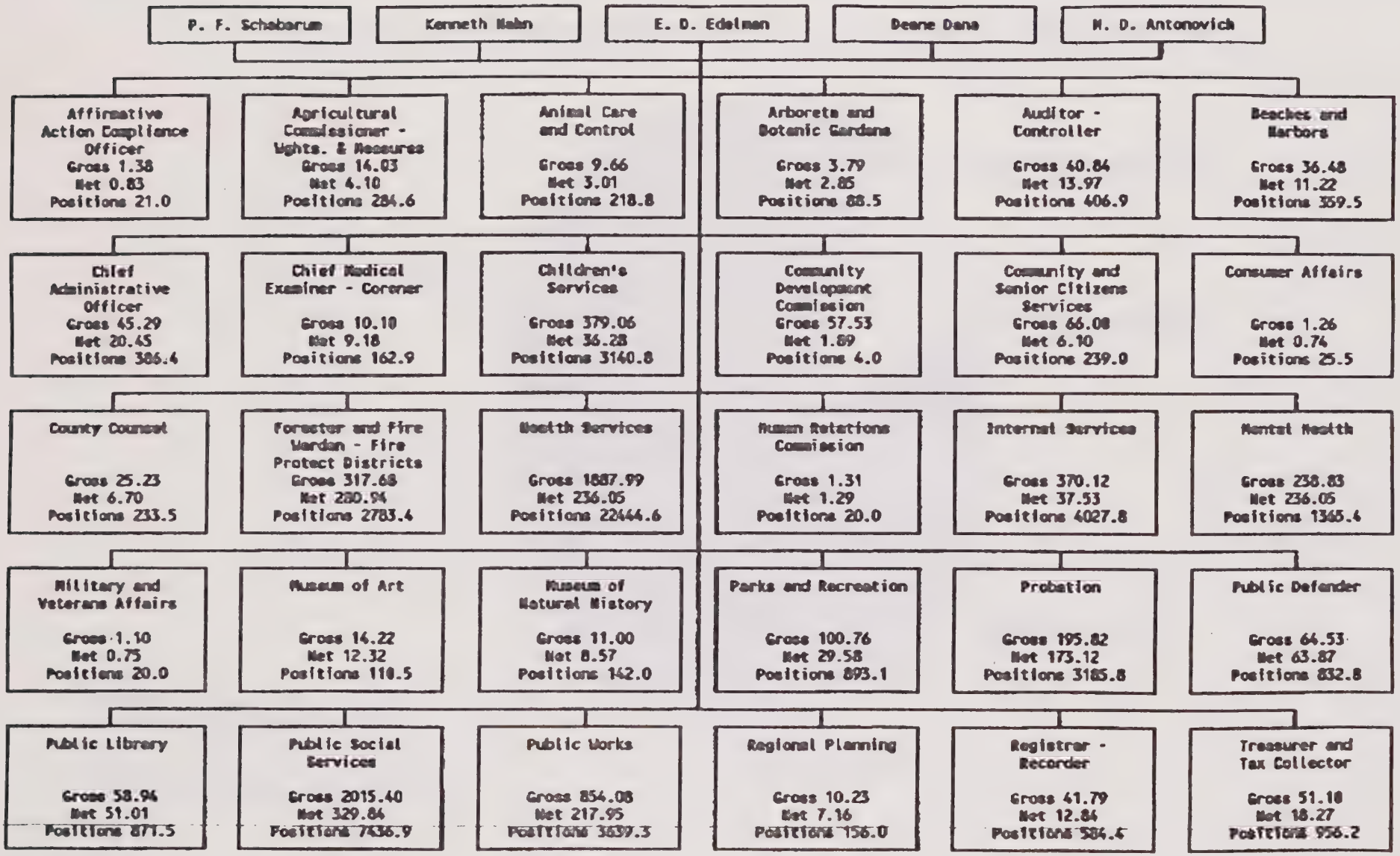
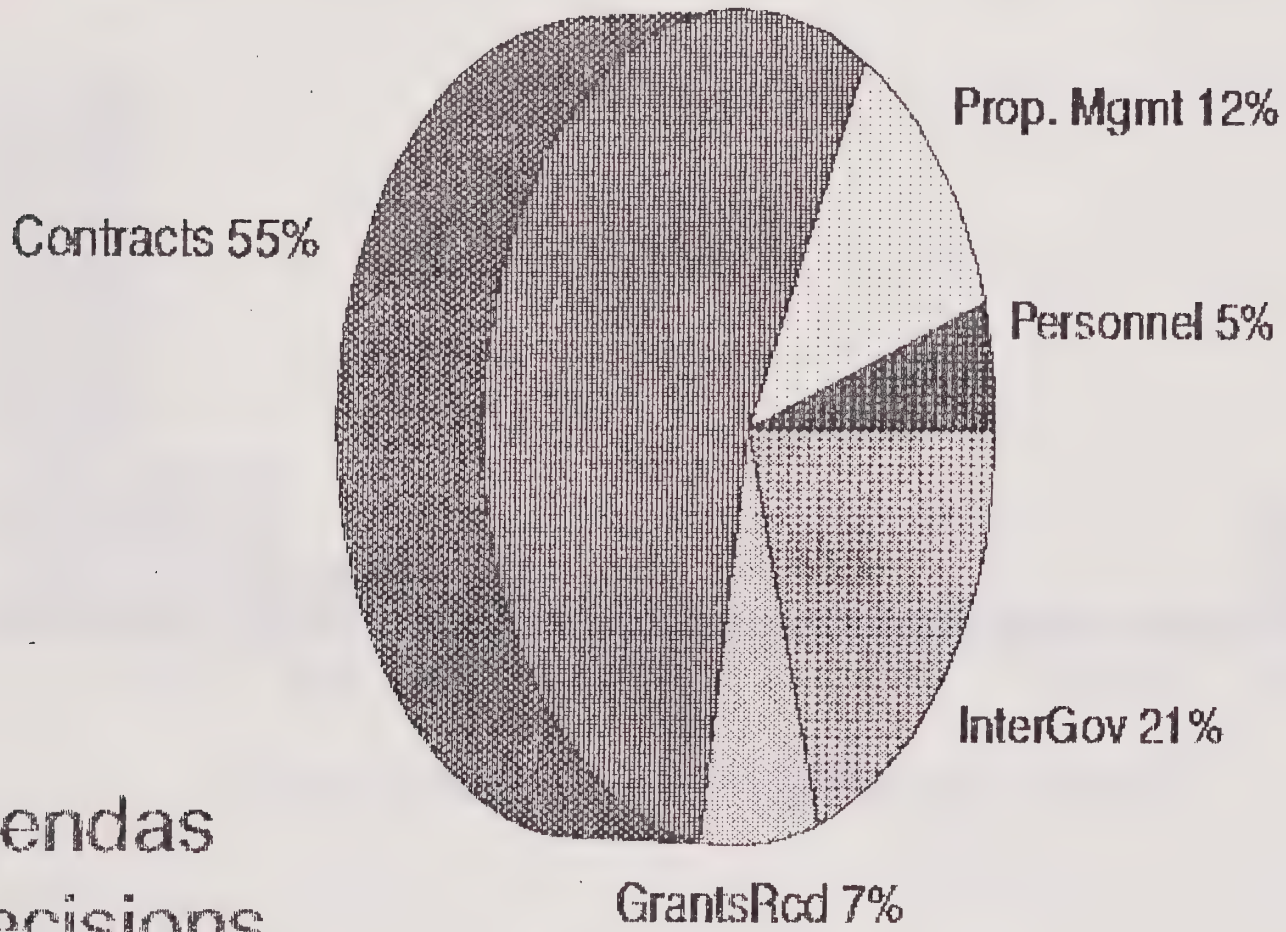


EXHIBIT 7

LOS ANGELES COUNTY GOVERNMENT

Board of Supervisors' - Agenda Decisions



30 Agendas
875 Decisions

EXHIBIT 8

LOS ANGELES COUNTY GOVERNMENT

Board of Supervisors' - Agenda Decisions

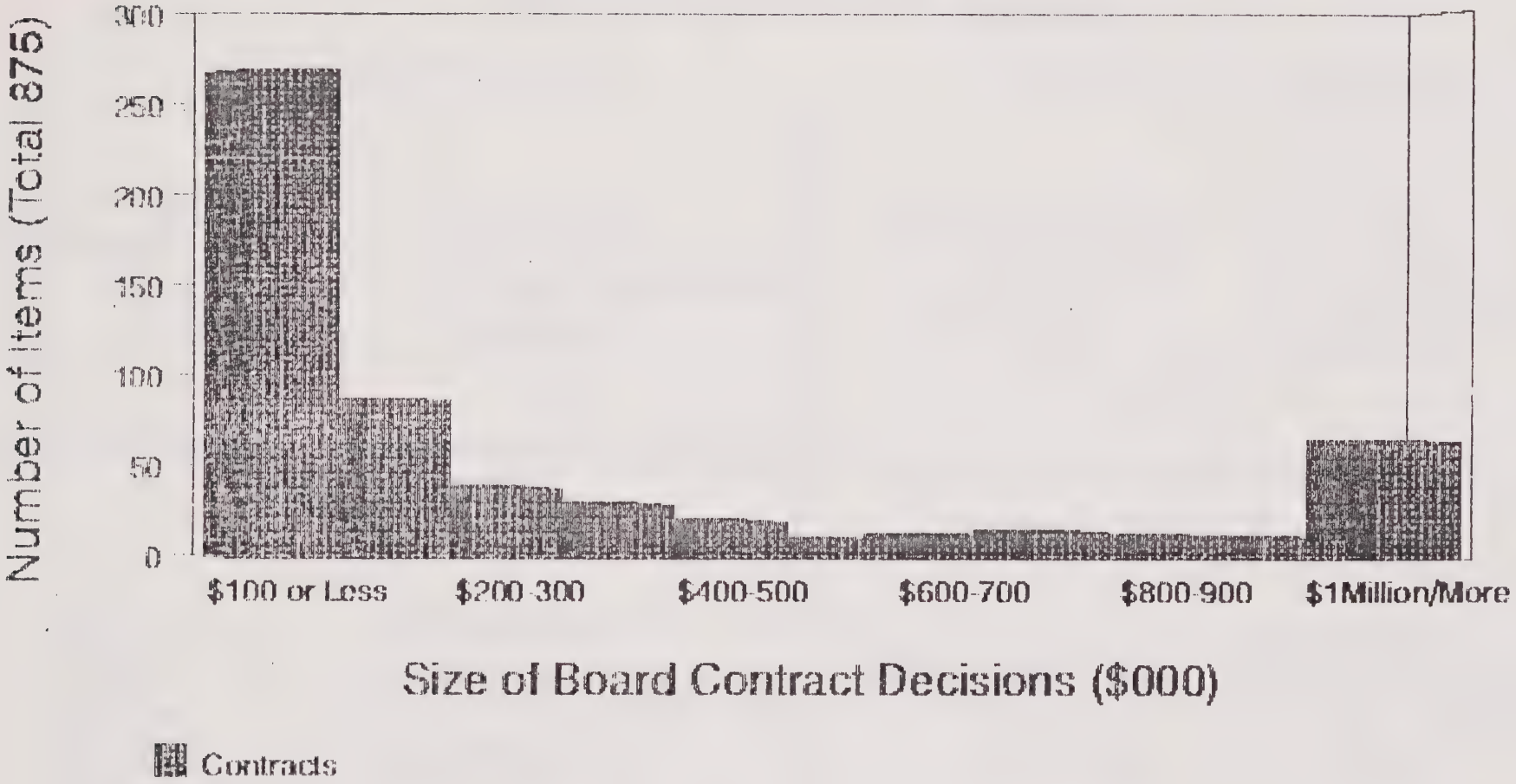
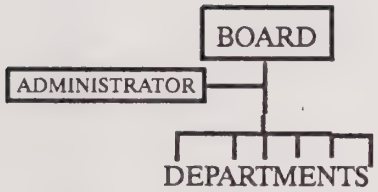


EXHIBIT 9

THE EXECUTIVE STRUCTURE

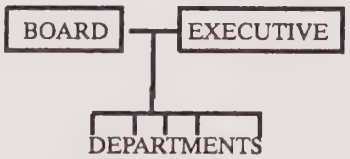
MODELS OF COUNTY EXECUTIVE FOR 21 LARGEST COUNTIES

Weak Administrator



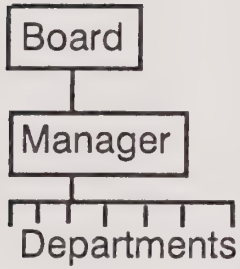
10 counties
Average Population
2.3 Million

Weak Elected Executive



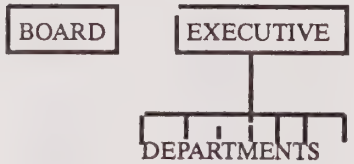
3 Counties
Average Population
2.0 Million

Strong Manager



2 Counties
Average Population
1.3 Million

Strong Elected Executive



6 Counties
Average Population
2.2 Million

EXHIBIT 10 (1)

RELATIVE IMPORTANCE OF SKILLS REQUIRED BY COUNTY MANAGER

CRITICAL TASKS	SKILLS REQUIRED: MANAGEMENT SKILLS	CONSENSUS BUILDING	ABILITY TO REPRESENT L.A. COUNTY WITH ELECTED OFFICIALS
1. DELIVER SERVICES EFFICIENTLY			
- Lead County Budgeting Process	3	2	1
- Develop and Install Consolidated Organization	1	3	2
- Develop and Install MIS Systems	3	2	1
- Set Countywide Standards	3	2	1
Task 1 Sub-Total	10	9	5
2. Influence Outside Fund Allocations			
- Build Caucus	1	1	3
- Plan and Implement Lobbying Strategy	1	3	2
- Maintain Working Relationships	2	1	3
Task 2 Sub-Total	4	5	9

RELATIVE IMPORTANCE OF SKILLS REQUIRED BY COUNTY MANAGER

(CONTINUED)

SKILLS REQUIRED

CRITICAL TASKS	MANAGEMENT SKILLS	CONSENSUS BUILDING	ABILITY TO REPRESENT L.A. COUNTY WITH ELECTED OFFICIALS
3. Increase Entreprenuerial Sources of Revenue			
- Work with Departments to Identify Opportuinties	3	2	1
- Develop and Implement Plans	3	2	1
- Manage for Results	3	2	1
Task 3 Sub-Totals	9	6	3
4. Strategic Planning			
- Define and Implement Process	3	2	1
- Select Objectives	2	3	1
- Develop Action Plans	3	2	1
- Persuade Regional, State, Federal Bodies	1	2	3
Task 4 Sub-Totals	9	9	6
GRAND TOTALS:	32	29	23